



MEDIA RELEASE

SALES TAX AND TRANSIENT OCCUPANCY TAX REVENUE NEWS

SANTA BARBARA, CA – June 25, 2012

Sales Tax Update for Third Quarter

Santa Barbara received \$4.38 million in sales tax during the quarter ended March 31, 2012, which is 10.8% growth over the same quarter last year. Since sales tax results are received only quarterly from the state, and one quarter in arrears, the City receives its third quarter results at nearly the end of the fiscal year. While all regions of the state saw strong sales tax growth during the March quarter, Santa Barbara's growth was 1.5% higher than the statewide growth of 9.3%.

Sales tax is the City's second largest General Fund revenue. Over \$14.1 million in sales taxes have been received this year with 9.6% growth over the same period last year. Based on the March results, sales tax is expected to end the year at approximately \$19.0 million and exceed the adopted budget by nearly \$1.38 million.

Sales tax has shown robust recovery from the declines experienced during the recession. However, the year-end estimate of \$19.0 million is still less than sales tax collected in fiscal year 2006. This important General Fund revenue has not fully recovered from the growth lost during the recession.

The Sales Tax table showing the March quarter end results can be viewed here:

www.santabarbaraca.gov/files/finance/sales-tax.pdf

Transient Occupancy Tax Update for May

Transient Occupancy Tax (TOT) collected in May 2012 was \$1.17 million, up 6.9% from the same month last year and higher than the staff's estimate of 6% growth for the month. Visitor travel has remained healthy heading into the summer travel season, when TOT collections are much higher than in the winter months.

\$12.25 million in TOT has been collected fiscal year-to-date, which is 9.4% above the same period last year. TOT is expected to end the year at nearly \$13.6 million or \$573,000 above the amended budget.

The Transient Occupancy Tax table showing the May results can be viewed here:

www.santabarbaraca.gov/files/finance/transient-occupancy-tax.pdf

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